



**STATE OF MONTANA
DEPARTMENT OF CORRECTIONS
POLICY DIRECTIVE**

Policy No. DOC 1.2.6	Subject: OFFENDER FINANCIAL TRANSACTIONS
Chapter 1: ADMINISTRATION AND MANAGEMENT	Page 1 of 5 and Attachment
Section 2: Fiscal Management	Effective Date: May 1, 1996
Signature: /s/ Mike Ferriter, Director	Revision Dates: 05/12/98; 07/18/06

I. POLICY

The Department of Corrections will account for all offender funds in compliance with generally accepted accounting principles, establish adult offender non-interest bearing accounts, and discourage theft and the inappropriate use of cash that may present safety and security concerns within Department and contracted facilities and programs.

II. APPLICABILITY

The secure facilities and programs that include Riverside and Pine Hills Youth Correctional Facilities, Montana State Prison, Montana Women's Prison, Montana Correctional Enterprises, and the private and regional facilities contracted to the Department of Corrections.

III. REFERENCES

- A. 53-1-107; 53-1-108; 53-1-109; 46-18-241; *Montana Code Annotated*
- B. 4-4044; *ACA Standards for Adult Correctional Facilities, 4th Edition*; 3-JTS-1B-18, 3-JTS-1B-19, 3-JTS-1B-20, 3-JTS-1B-21; *Standards for Juvenile Correctional Facilities, 2003*
- C. *DOC Policy 3.4.1, Adult Institutional Discipline*

IV. DEFINITIONS

Offender Trust Account – An account maintained by a correctional facility for the placement and disbursement of offender monies.

Offender Monies – Offender money received from any source

Income – Money paid by the State of Montana for offender work or money earned by the offender from the sale of hobby items.

Court Ordered Payment – An order from a court of competent jurisdiction directing offender fund payments to a payee that may include, but are not limited to, fees, fines, surcharges, and restitution.

Child Support Orders – An order from the Child Support Enforcement Division of the Department of Public Health and Human Services or from a district court directing the payment of offender funds for child support.

PIECP – A Prison Industry Enhancement Certification Program, also referred to as PIE, that exempts certified state and local departments of correction and other eligible entities from normal restrictions on the sale of prisoner-made goods in interstate commerce.

Disposable Income – An offender's income minus deductions by the PIE program and deductions

Policy No. DOC 1.2.6	Chapter 1: Administration and Management	Page 2 of 5
Subject: OFFENDER FINANCIAL TRANSACTIONS		

for child support. Disposable income may not be less than the indigent benchmark.

Indigent Status – The status applied to an offender whose previous month’s financial activity and current financial status indicate that he or she has insufficient funds to purchase hygiene or legal supplies from the facility canteen.

Ancillary Services - Offender medical, mental health, and dental services, including the costs or charges associated with treatment, pharmaceuticals, supplies, and equipment.

Medical Co-pay – A fee charged by the Department of Corrections for certain offender health services. This fee does not apply to probationers sentenced to the Treasure State Correctional Training Center or youth facilities or programs.

Significant Transactions – Generally, significant transactions or amounts of money greater than \$200.

Investigation and Compliance Monitoring Bureau (ICMB) – The Department bureau designated to oversee investigations, safety and emergency operations, and compliance monitoring.

Facility Administrator – The official, regardless of local title (administrator, warden, superintendent), ultimately responsible for the facility or program operation and management.

V. DEPARTMENT DIRECTIVES

A. Financial Disclosure

1. Designated facility staff will require an offender to complete and sign the financial disclosure form authorizing Department access to all of the offender’s financial records (see Attachment).
2. Staff will forward the original, completed financial disclosure form to the offender file and provide copies of the form to:
 - a. the Department Investigation & Compliance Monitoring Bureau (ICMB); and
 - b. the facility or program accounting department.
3. If the monies identified on the offender financial disclosure form are deposited in the offender’s trust account, the accounting department will freeze the funds until notified by the ICMB that the funds may be disbursed or until an order directing payment of the monies is received from a court.
4. In the event an offender refuses to complete and sign the financial disclosure form, facility staff will notify the ICMB. A designated staff member will serve the offender with a disciplinary infraction report for failure to follow a direct order and refer the offender to the appropriate hearings officer for disciplinary action in accordance with *DOC 3.4.1, Adult Institutional Discipline*.
5. If the Investigation and Compliance Monitoring Bureau has probable cause to believe that the offender has violated § 53-1-108 or § 45-7-302, MCA, it should refer the case to appropriate county attorney for possible criminal prosecution.

Policy No. DOC 1.2.6	Chapter 1: Administration and Management	Page 3 of 5
Subject: OFFENDER FINANCIAL TRANSACTIONS		

B. Deposits

1. When an offender is admitted to a facility, reception or admitting staff will take all monies in the offender's possession, place the money in an envelope, and ensure it is sealed, dated and signed by two employees and process the transaction in accordance with the facility or program guidelines.
2. Admitting staff will secure the envelopes with offender funds in a locked area and take the envelopes to the facility business office as soon as possible but in all cases by the end of the business day in which the monies were received.
3. The business office will deposit all offender funds no later than the end of the next business day.
4. The facility business office will establish an offender account in compliance with facility guidelines.
5. Youth facility staff have the option to place youth offender money in an interest bearing account if recommended by a caseworker and approved by the facility administrator.

C. Transactions/Purchases

1. A designated supervisor will approve all offender account transactions and the facility business office will enter the transaction on the offender's account.

D. Deductions

1. Deductions from Income
 - a. the facility accounting department will make deductions from an offender's income in accordance with a court order prior to crediting the offender's trust account; and
 - b. in no event will deductions from an offender's income result in a balance of less than the indigent benchmark.
2. Child Support Orders
 - a. designated facility staff will maintain child support orders in the offender's file and ensure the following departments receive a copy of any child support order:
 - Accounting
 - Records
 - Montana Correctional Enterprises
 - b. The PIE program will ensure that deductions for family support are withheld for the payment of child support orders. The PIE program will document the amount of income withheld for the payment of child support and provide that information to the accounting department on a monthly basis.
 - c. In the event that the child support deduction by the PIE program is not sufficient to satisfy a child support order, the accounting department will deduct from offender income any further funds necessary to comply with the child support order.

Policy No. DOC 1.2.6	Chapter 1: Administration and Management	Page 4 of 5
Subject: OFFENDER FINANCIAL TRANSACTIONS		

- d. When an offender is subject to more than one child support order and there are insufficient funds to satisfy both orders, the accounting department will divide the available funds by the number of child support orders to determine the amount of child support to deduct for each child support order.

3. Other Deductions from Offender Earnings

- a. the accounting department will deduct the appropriate funds from the offender's account in accordance with the order or directive and this policy; and
- b. in the event that orders or directives are unclear, the accounting department will consult with the Department's Legal Services Bureau for clarification.

E. Significant Offender Financial Transactions

1. When an employee of the Department becomes aware that an incarcerated offender has received or is entitled to receive a significant amount of money, from any source, the employee will immediately notify the facility administrator, or designee, and the facility's accounting department in which the offender is housed.
2. The facility administrator, or designee, will prepare a report within two business days identifying the monetary obligations.

F. Transfer of Offender Account Information

1. If an offender is transferred from one correctional facility to another, offender account information will be transferred to the accounting department of the receiving facility within 10 business days. The information will include:
 - a. the offender's current offender trust account balance; and
 - b. any obligations owed by the offender, including:
 - a description of each obligation
 - the total amount of each obligation
 - the amount of each obligation that has been paid by the offender
 - the remaining balance owed by the offender for each obligation
 - the name and address of the payee, frequency of payment, and other pertinent information necessary for the receiving facility to continue to make payments on behalf of the offender
2. If an offender is released from a correctional facility and placed on supervision in the community, the releasing facility will transmit the information identified in (1) to the supervising authority.
3. If an offender is transferred from community supervision to a correctional facility, the supervising authority will transfer the information identified in (1) to the accounting department of the receiving correctional facility.
4. The receiving facility or supervising authority will ensure that the offender continues to make the necessary payments to satisfy their outstanding financial obligations.

Policy No. DOC 1.2.6	Chapter 1: Administration and Management	Page 5 of 5
Subject: OFFENDER FINANCIAL TRANSACTIONS		

G. Statement of Funds

1. Offender funds will be accounted for in compliance with facility or program guidelines. Resident's accounts systems will be reconciled at least on a monthly basis.

H. Closing Accounts

1. When an offender is released from a facility or program, the balance of all monies from that account will be returned to the offender in compliance with facility or program guidelines.

VI. CLOSING

Questions concerning this policy should be directed to the offender's facility administrator.

VII. ATTACHMENT

Offender Financial Discloser Form

Offender Financial Disclosure Form

Offender Name _____ AO# _____

I, _____ do here by give the Department of Corrections, and facilities or programs contracted by the Department, full access to all financial information and records that pertain to my financial status.

Bank or Credit Union Accounts

Checking- Institution's Name _____ Account # _____

Address _____
Street or PO Box City State Zip

Institution's Name _____ Account # _____

Address _____
Street or PO Box City State Zip

Savings- Institution's Name _____ Account # _____

Address _____
Street or PO Box City State Zip

Institution's Name _____ Account # _____

Address _____
Street or PO Box City State Zip

Stocks and Bonds

Holding Company's Name _____

Address _____
Street or PO Box City State Zip

Retirement Funds

Name _____

Address _____
Street or PO Box City State Zip

Retirement Funds Cont.

Name _____

Address _____
Street or PO Box City State Zip

Eligible for Veteran's Benefits Yes _____ No _____
If yes, when _____

Eligible for Tribal Benefits/Per Capita Payments Yes _____ No _____
If yes, which tribe(s) _____

Do you have any other sources of income? Yes _____ No _____
If yes please list _____

I declare under penalty of perjury that the above information is true and correct

Signature of offender

Date

In accordance with DOC Policy 1.2.6 and Montana law,* the offender will complete this form upon admission. Staff will ensure the original form is placed in the offender file. If the offender refuses to complete and sign the form, he or she will be served with a disciplinary infraction report for failure to follow a direct order followed by possible referral to the county attorney's office.

* 53-1-108 (2): Failure of an offender to disclose information under subsection (1)(a) or sign a release under subsection (1)(b) or (1)(c) is an offence under 45-7-302.